

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 02-0468P  
Gross and Adjusted Gross Income Tax  
For Calendar Year Ended December 31, 2000**

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**ISSUE(S)**

**I. Tax Administration – Penalty**

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer protests the proposed penalty assessment for the late payment of its income tax. The due date of the return was April 15, 2001. Taxpayer filed its return late on September 14, 2001 with payment of thirty-one percent (31%) of its tax liability. The Department issued its late payment assessment on August 26, 2002.

Taxpayer filed a penalty protest letter dated September 16, 2002 and states that its accounting firm prepared the IT-20 and self assessed an underpayment penalty on the return in addition to interest, which it paid. The underpayment penalty was applied as the taxpayer failed to pay the required amount of estimated taxes. The taxpayer was also issued a late payment penalty because it did not pay at least ninety percent (90%) of the tax due by the due date of the return.

**I. Tax Administration – Penalty**

**DISCUSSION**

Taxpayer protests the penalty assessed and states that it paid the underpayment penalty plus interest and requests the department waive the remaining penalty and update its records accordingly.

Taxpayer did not make payment by the original due date of the return as required under IC 6-8.1-10-2.1 (a)(2). The penalty is ten percent (10%) of the amount of the tax not paid, if the person fails to pay the full amount of tax shown on the person's return on or before the due date for the

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return or payment.

Taxpayer made payment after the due date of the return and has not provided reasonable cause to allow the Department to waive the penalty.

**FINDING**

Taxpayer's protest is denied.

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